

Rezidor shows continued growth in revenue and profit

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The Rezidor Hotel Group's Financial Report January – June 2008

"Rezidor reported good half-year results, with growth in revenue, EBITDA as well as EBITDA margin. For the six months ending June 30 we posted revenues of MEUR 399 (371) and EBITDA of MEUR 37.3 (32.3) increasing the EBITDA margin to 9.4% (8.7)", says Kurt Ritter, President & CEO of Rezidor.

"Our strategic focus continues to be on growing our portfolio through managed or franchised contracts. This ongoing shift in our business model, which is driven by more fee based revenue, will continue to support our EBITDA margin target. In the first half of this year, we opened circa 1,800 new rooms; all which were fee based. During the same period we contracted more than 7,000 rooms under development of which 87% will be managed or franchised", Ritter continues.

"The uncertainties surrounding the global economy especially the financial markets and its impact on the hotel industry make it difficult to predict the market outlook for 2008. In terms of contracting new rooms and growing our pipeline 2008 will be another record year. Since January 2007 we have opened circa 6,900 rooms of which 93% are fee based. Currently we have more than 100 hotels and approximately 20,000 rooms under development", ends Kurt Ritter.

The Financial Report is attached in pdf-format.